



Senate

General Assembly

February Session, 2018

File No. 282

Senate Bill No. 333

Senate, April 5, 2018

The Committee on Energy and Technology reported through SEN. WINFIELD of the 10th Dist. and SEN. FORMICA of the 20th Dist., Chairpersons of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING MUNICIPAL ELECTRIC UTILITIES AND RATE DESIGN STUDIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 16-19f of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (c) Each municipal electric company shall (1) [within two years] not
5 later than July 1, 2018, consider and determine whether it is
6 appropriate to implement any of the following rate design standards:
7 (A) Cost of service; (B) prohibition of declining block rates; (C) time of
8 day rates; (D) seasonal rates; (E) interruptible rates; and (F) load
9 management techniques, and (2) not later than June 1, 2017, consider
10 and determine whether it is appropriate to implement electric vehicle
11 time of day rates for residential and commercial customers. The
12 consideration of said standards by each municipal electric company
13 shall be made after public notice and hearing. Each municipal electric

14 company shall make a determination on whether it is appropriate to
15 implement any of said standards. Said determination shall be in
16 writing, shall take into consideration the evidence presented at the
17 hearing and shall be available to the public. A standard shall be
18 deemed to be appropriate for implementation if such implementation
19 would encourage energy conservation, optimal and efficient use of
20 facilities and resources by a municipal electric company and equitable
21 rates for electric consumers. No municipal electric company that
22 completed such consideration and determination regarding any rate
23 design standard or electric vehicle time of day rate before July 1, 2017,
24 shall be required to conduct another consideration and determination
25 regarding the same such rate design standard or electric vehicle time
26 of day rate.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	16-19f(c)
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ET *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill clarifies that municipal electric companies must make a determination on implementing various rate design standards (e.g., time of day rates, seasonal rates), by July 1, 2018. Current law requires municipal electric companies to make a determination within two years, but does not specify a start date.

Additionally, the bill also (1) exempts municipal electric companies from making certain rate determinations (performing a study) if they have already done so, and (2) defines the timeframe for municipal electric companies to make certain rate determinations. There is no fiscal impact associated with these provisions, as it is anticipated that most municipal electric companies have completed the determination.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 333*****AN ACT CONCERNING MUNICIPAL ELECTRIC UTILITIES AND RATE DESIGN STUDIES.*****SUMMARY**

The law requires municipal electric companies to determine whether to implement various rate design standards (e.g., time of day rates, seasonal rates). Current law requires them to do so within two years, but does not specify when the two-year time frame starts. This bill requires them to do so by July 1, 2018.

The law also requires municipal electric companies to determine, by June 1, 2017, whether to implement electric vehicle time of day rates. Under the bill, any municipal electric company that completed a determination by July 1, 2017, on the rate design standards or electric vehicle time of day rates cannot be required to complete such a determination again.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 25 Nay 0 (03/20/2018)